GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:2262
ANSWERED ON:28.07.2017
Utilisation of Funds under CSR
Pathak Smt. Riti;Rajbhar Shri Hari Narayan

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the companies of both public and private sectors have mandatorily spent certain percentage of their profits on welfare development activities as Corporate Social Responsibility (CSR);

(b) if so, the details of the amount utilised and major activities/programmes undertaken by various public sector and private sector companies during the last three years, State/UT-wise including Uttar Pradesh;

(c) whether any comparative study has been conducted regarding the amount of the fund spent by the private companies and public sector undertakings and if so, the details thereof and if not, the reasons therefor;

(d) whether the Government has laid emphasis on the effective implementation of CSR and if so, the details thereof; and

(e) the details of the funds provided for CSR funds Panchayat Saansad Adarsh Gram Yojana as on date, State/UT-wise?

Answer

THE MINISTER OF STATE IN THE
MINISTRY OF CORPORATE AFFAIRS (SHRI ARJUN RAM MEGHWAL)
???????? ????? ???????? ??? ????? ?????? (???? ?????? ??? ??????)

(a): Section 135 of the Companies Act 2013, mandates every company above the specified thresholds of turnover, or net worth, or net profit to spend at least two per cent of the average net profits earned during the three immediately preceding financial years on Corporate Social Responsibility (CSR) activities specified in Schedule VII of the Act.

Contdâ€¦2/-

(b)& (c): The year 2014-15 was the first year of Implementation of Corporate Social Responsibility (CSR) by companies under the companies Act, 2013. CSR eligible companies have made annual disclosure on CSR in their Board's report for the years 2014-15 and 2015-16. Expenditure by companies for the years 2014-15 and 2015-16 have been compiled for 7334 companies and 5097 companies respectively. The details are as under:

CSR Expenditure during 2014-15 and 2015-16
Sl. No. Company Type Financial Year 2014-15 Financial Year 2015-16
No. of companies for which data has been compiled Actual CSR expenditure (in Rs. Crore) No. of companies for which data has been compiled Actual CSR expenditure (in Rs. Crore)
1. PSUs 226 2497 172 3360
2. Private Sector Companies 7108 6306 4925 6462

Total 7334 8803 5097 9822

States/UTs-wise CSR expenditure and development sector wise CSR spend are at Annexure I and Annexure II respectively.

(d): Ministry has issued clarificatory circular and Frequently Asked Questions (FAQs) dated 18.06.2014 and 12.01.2016 respectively to facilitate the effective implementation of CSR provision by companies and professionals. In addition sensitisation workshops have been organised by the Offices of Regional Directorate under Ministry of Corporate Affairs to ensure effective compliance of CSR provisions by companies.

(e): CSR funds are permitted to be leveraged under various government programmes including the "Saansad Adarsh Gram Panchayats". The CSR expenditure of companies compiled by the Ministry is on major development sector-wise as listed in Schedule VII of the Companies Act, 2013, which includes 'rural development'.
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